

# **BUDGET PROCESS**

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The Town of Andover operates under state statutes, the Town Charter (Chapter 571 of the Acts of 1956, as amended), and locally adopted by-laws. The Charter establishes a Selectmen/Town Manager/Open Town Meeting form of government. The five-member Board of Selectmen are per the Andover Charter "...the makers of policy of the Town government, except as otherwise directed by Statutes or by the Town Charter" (Section 1 – Board of Selectmen). The Town Manager serves as the chief executive officer of town government (Section 10 – Powers and Duties).

Preliminary Revenue and Expenditure Projections are prepared for the next fiscal year by the end of October, and are included in the Town Manager's Recommended Capital Improvement Program (CIP). The preliminary projections may be discussed and refined in planning sessions with members of the Board of Selectmen, School Committee and Finance Committee. The projections assist in establishing forthcoming budget instructions and preparation guidelines.

The Charter requires that all boards, officers and committees annually submit in writing to the Town Manager a detailed estimate of the appropriations required for the efficient and proper conduct of their respective departments and offices for the next fiscal year (Section 15 – Estimate of Expenditures). In late November the Finance Director distributes budget instructions, guidelines and worksheets to all departments on behalf of the Town Manager. All department/division heads prepare their budget requests for the next fiscal year starting July 1, and submit them to the Finance Director and Town Manager by the end of December. During the month of January, the Town Manager and Finance Director meet with each department/division head to review and discuss their respective budget requests.

The Charter requires the Town Manager to submit his recommended budget to the Board of Selectmen and Finance Committee on or before a date established by Town By-law (Section 15 - Estimate of Expenditures). Town By-law, Article IV, Section 6, stipulates that the annual budget shall be submitted to those bodies on or before the first Friday of February of each year. After submitting his recommended budget to the Board of Selectmen and Finance Committee, the Town Manager presents it at a public meeting shortly thereafter.

During the months of February and March the Board of Selectmen and Finance Committee conduct a series of joint public meetings to review, discuss, and vote on all recommended department/division budgets. Meeting notices are posted at least 48 hours in advance and the agendas are posted on the Town website at [www.andoverma.gov](http://www.andoverma.gov). The budget hearings are open to the public and are broadcast live on local access television.

The Finance Committee's responsibilities are described in Town By-laws Article III, Section 3 (Composition; term of office; powers and duties). The Town Meeting voters are advised on all financial matters by the nine member Finance Committee, the members of which are appointed by the Town Moderator, who is elected for a one-year term.

## **BUDGET APPROPRIATION AND AMENDMENT**

The legislative body of the Town is an open Town Meeting. All registered voters are entitled to attend and vote on any matter that comes before Town Meeting. Town Meeting has the authority to appropriate funds for the operating budgets and capital projects, except for specific types of expenditures where state statutes or regulations do not require appropriation. Any amendments to appropriations require Town Meeting vote at either a regular or special town meeting (Massachusetts General Laws, Chapter 40, Section 5). The procedures for a town meeting are specified in Town By-laws Article II. The Town Meeting warrant (items to be voted on) is posted on the Town website, and is published in the local newspaper at least 14 days before the day of the town meeting. The Finance Committee mails its report of warrant recommendations to all households at least 10 days prior to scheduled date of Town Meeting.

At Town Meeting, reports and recommendations are presented by the Board of Selectmen, Finance Committee, Planning Board, School Committee and other sponsoring parties. Town Meeting votes and appropriates the budget and all other financial articles presented at a town meeting.

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## ANNUAL BUDGET SCHEDULE

October – November	Revenue and Expenditure Projections and the 5-Year Capital Improvement Program (CIP) are prepared and distributed to the Board of Selectmen, Finance Committee, and School Committee.	
November	Annual operating budget instructions, guidelines and worksheets are distributed to all departments.	
December	Town departments submit budget requests to the Town Manager.	School principals submit budget requests to the Superintendent of Schools.
January	Town Manager reviews budget requests and submits his recommended budget to the Board of Selectmen and the Finance Committee.	School Superintendent reviews budget requests and submits her recommended budget to the Town Manager and School Committee.
February – March	Board of Selectmen and Finance Committee review Town Manager's Recommended Budget and CIP, and conduct public budget hearings.	School Committee, Finance Committee and Selectmen review Superintendent's Recommended Budget, and conduct public budget hearings.
March – April	Board of Selectmen and Finance Committee vote on all annual budget and capital requests	School Committee, Finance Committee and Selectmen vote on school budget and capital requests.
Ten days before first Town Meeting business session	Finance Committee report, including the town meeting warrant, is mailed to all Andover households ten days prior to the start of Town Meeting.	